

# [Personality and values essay](https://assignbuster.com/personality-and-values-essay/)

CHAPTER 4 Personality and Values LEARNING OBJECTIVES After studying this chapter, students should be able to: 1. Define personality, describe how it is measured, and explain the factors that determine an individual’s personality. 2. Describe the Myers-Briggs Type Indicator personality framework and assess its strengths and weaknesses. 3. Identify the key traits in the Big Five personality model. 4. Demonstrate how the Big Five traits predict behavior at work. 5. Identify other personality traits relevant to OB. . Define values, demonstrate the importance of values, and contrast terminal and instrumental values. 7. Compare generational differences in values and identify the dominant values in today’s workforce. 8. Identify Hofstede’s five value dimensions of national culture. Summary and Implications for Managers Personality – What value, if any, does the Big Five model provide to managers? From the early 1900s through the mid-1980s, researchers sought to find a link between personality and job performance. The outcome of those 80-plus years of research was that personality and job performance were not meaningfully related across traits or situations. ”[i] However, the past 20 years have been more promising, largely due to the findings surrounding the Big Five. Screening candidates for jobs who score high on conscientiousness—as well as the other Big Five traits, depending on the criteria an organization finds most important—should pay dividends. Each of the Big Five traits has numerous implications for important OB criteria.

Of course, managers still need to take situational factors into consideration. [ii] Factors such as job demands, the degree of required interaction with others, and the organization’s culture are examples of situational variables that moderate the personality–job performance relationship. You need to evaluate the job, the work group, and the organization to determine the optimal personality fit. Other traits, such as core self-evaluation or narcissism, may be relevant in certain situations, too. Although the MBTI has been widely criticized, it may have a place in organizations.

In training and development, it can help employees to better understand themselves and it can help team members to better understand each other. And it can open up communication in work groups and possibly reduce conflicts. Values -Why is it important to know an individual’s values? Values often underlie and explain attitudes, behaviors, and perceptions. So knowledge of an individual’s value system can provide insight into what “ makes the person tick. ” Employees’ performance and satisfaction are likely to be higher if their values fit well with the organization.

For instance, the person who places great importance on imagination, independence, and freedom is likely to be poorly matched with an organization that seeks conformity from its employees. Managers are more likely to appreciate, evaluate positively, and allocate rewards to employees who “ fit in,” and employees are more likely to be satisfied if they perceive that they do fit in. This argues for management to strive during the selection of new employees to find job candidates who have not only the ability, experience, and motivation to perform but also a value system that is compatible with the organization’s.

The chapter opens by introducing Stephen Schwarzman, CEO of the Blackstone Group. He profited to the tune of $7. 75 billion when his company went public. His combative style has not hindered his success as Fortune called him the “ King of Wall Street. ” Using military terms like war and he would rather kill off his rival; Blackstone has thrived under his leadership and has become one of the most profitable and feared investment groups on Wall Street. Schwarzman is not the easiest to work for. One executive was purportedly fired for the sound his nose made when he breathed.

He may be a huge success but would you be willing to work for him? Brief Chapter Outline I. Personality A. What Is Personality? (PPT. 4–2) • A dynamic concept • Defined: the sum total of ways in which an individual reacts and interacts with others B. Personality Determinants (PPT 4-3) 1. Introduction • Early arguments suggest heredity and environment. Current literature suggests three factors: heredity, environment, and situation. 2. Heredity 3. Environment C. Personality Traits (PPT 4-4) 1. Introduction 2.

Myers-Briggs Type Indicator (MBTI) (PPTs 4–5 – 4 – 6) • Widely used in practice by major companies. 3. The Big Five Model (PPT 4–7) • Five Basic Dimensions: o Extraversion o Agreeableness o Conscientiousness o Emotional stability o Openness to experience • Research indicates relationships between these personality dimensions and job performance. D. How Do the Big Five Traits Predict Behavior? (PPT 4–8) • Research has shown this to be a better framework. • Certain traits have been shown to strongly relate to higher job performance E.

Other Personality Traits Relevant to OB (PPT 4–9) 1. Core Self-Evaluation (Self-perspective) (PPT 4–9) • Locus of Control o Internals o Externals • Self-esteem • Directly related to expectations for success 2. Machiavellianism (PPT 4–9) • Individuals high on this dimension—pragmatic, emotional distance, and belief that the ends justify the means 3. Narcissism (PPT 4–9) • Narcissists tend to be selfish and exploitive. 4. Self-Monitoring (PPT 4–10) • Ability to adjust behavior to external, situational factors 5. Risk Taking (PPT 4–10) Managers in large organizations tend toward risk aversiveness. 6. Type A Personality (PPT. 4–11) • A Type A personality is characterized as constant motion, impatient, obsessed with measuring self-performance; whereas a Type B Personality (PPT 4–11) is more relaxed; does not suffer from a sense of time urgency. 7. Proactive Personality (PPT 4–11) • Create positive change in their environments. • More likely seen as leaders and change agents F. Personality and National Culture • High amount of agreement among individuals in a country • No common personality types for a country I.

Values A. Introduction • Values represent basic convictions: (PPT 4–12) o There is a judgmental element of what is right, good, or desirable. o Values have both content and intensity attributes. o Values are not generally fluid and flexible. ? They tend to be relatively stable and enduring. ? A significant portion of the values we hold is established in our early years—from parents, teachers, friends, and others. B. Importance of Values (PPT 4–13) • Values lay the foundation for the understanding of attitudes and motivation. • Values generally influence attitudes and behavior. C.

Types of Values 1. Rokeach Value Survey (PPTs 4–14 to 4–16) (Exhibit 4–3) • Two sets of values, each set had 18 individual value items: o Terminal values—refer to desirable end-states of existence, the goals that a person would like to achieve during his/her lifetime o Instrumental values—refer to preferable modes of behavior, or means of achieving the terminal values • Several studies confirm that the RVS values vary among groups. o People in the same occupations or categories tend to hold similar values. Although there may be overlap among groups, there are some significant differences as well. (Exhibit 4–4) 2. Contemporary Work Cohorts • Different generations hold different work values. o Veterans—entered the workforce from the early 1940s through the early 1960s. o Boomers—entered the workforce during the 1960s through the mid-1980s. o Xers—began to enter the workforce from the mid-1980s. o Nexters—most recent entrants into the workforce. D. Values, Loyalty, and Ethical Behavior (PPT 4–17) • Many people think there has been a decline in business ethics since the late 1970s.

The four-stage model of work cohort values might explain this perception. (Exhibit 4–5) • Managers consistently report the action of bosses as the most important factor influencing ethical and unethical behavior in the organization. II. Linking an Individual’s Personality and Values to the Workplace A. Person-Job Fit • Personality-job fit theory (PPTs 4–18 to 4–21) (Exhibit 4–6) o Each personality type has a congruent occupational environment. B. The Person-Organization Fit • People leave organizations that are not compatible with their personalities. Organizational Culture Profile (OCP) o Match individual values to organization’s values. IV. Global Implications A. Personality . B. Values Across Cultures 1. Introduction • Values differ across cultures. 2. Hofstede’s Framework for Assessing Cultures (PPTs 4-22 – 4-28) • One of the most widely referenced approaches for analyzing variations among cultures has been done by Geert Hofstede. o Power distance o Individualism versus collectivism o Masculinity versus femininity o Uncertainty avoidance Long-term versus short-term orientation 3. The GLOBE Framework for Assessing Cultures (Exhibit 4–8) • In 1993, the Global Leadership and Organizational Behavior Effectiveness (GLOBE) began updating this research with data from 825 organizations and 62 countries. • Nine dimensions on which national cultures differ: o Assertiveness o Future orientation o Gender differentiation o Uncertainty avoidance o Power distance o Individualism/collectivism o In-group collectivism o Performance orientation o Humane orientation 4. Implications for OB

V. SUMMARY AND IMPLICATIONS FOR MANAGERS (PPT 4-30) A. Personality ? Conscientiousness is often a major factor for successful employees ? The MBTI can be used to better understand each other ? Managers use the Big Five to view employee personality B. Values ? Values influence attitudes, perceptions, and behaviors ? Values can be measured using the Rokeach Values Survey ? It is important that the values of the employee and the organization match Expanded Chapter Outline Personality A. What Is Personality? Personality is a dynamic concept describing the growth and development of a person’s whole psychological system; it looks at some aggregate whole that is greater than the sum of the parts. • Gordon Allport coined the most frequent used definition: o “ The dynamic organization within the individual of those psychophysical systems that determine his unique adjustments to his environment” • The text defines personality as the sum total of ways in which an individual reacts to and interacts with others. • It is most often described in terms of measurable traits that a person exhibits.

B. Personality Determinants 1. Introduction • An early argument centered on whether or not personality was the result of heredity or of environment. o Personality appears to be a result of both influences. o Today, we recognize a third factor—the situation. 4 Situation: 5 Influences the effects of heredity and environment on personality 6 The different demands of different situations call forth different aspects of one’s personality. 7 There is no classification scheme that tells the impact of various types of situations. 8 Situations seem to differ substantially in the constraints they impose on behavior. . Heredity • Heredity refers to those factors that were determined at conception. • The heredity approach argues that the ultimate explanation of an individual’s personality is the molecular structure of the genes, located in the chromosomes. • Three different streams of research lend some credibility to the heredity argument: o The genetic underpinnings of human behavior and temperament among young children. Evidence demonstrates that traits such as shyness, fear, and distress are most likely caused by inherited genetic characteristics. One hundred sets of identical twins that were separated at birth were studied. Genetics accounts for about 50 percent of the variation in personality differences and over 30 percent of occupational and leisure interest variation. o Individual job satisfaction is remarkably stable over time. This indicates that satisfaction is determined by something inherent in the person rather than by external environmental factors. • Personality characteristics are not completely dictated by heredity. If they were, they would be fixed at birth and no amount of experience could alter them. . Environment • Factors that exert pressures on our personality formation: o The culture in which we are raised o Early conditioning o Norms among our family o Friends and social groups • The environment we are exposed to plays a substantial role in shaping our personalities. • Culture establishes the norms, attitudes, and values passed from one generation to the next and create consistencies over time. • The arguments for heredity or environment as the primary determinant of personality are both important. Heredity sets the parameters or outer limits, but an individual’s full potential will be determined by how well he or she adjusts to the demands and requirements of the environment. C. Personality Traits 1. Introduction • Early work revolved around attempts to identify and label enduring characteristics. o Popular characteristics include shy, aggressive, submissive, lazy, ambitious, loyal, and timid. These are personality traits. o The more consistent the characteristic, the more frequently it occurs, the more important it is. Researchers believe that personality traits can help in employee selection, job fit, and career development. 2. The Myers-Briggs Type Indicator • One of the most widely used personality frameworks is the Myers-Briggs Type Indicator (MBTI). • It is a 100-question personality test that asks people how they usually feel or act in particular situations. • Individuals are classified as: o Extroverted or introverted (E or I). o Sensing or intuitive (S or N). o Thinking or feeling (T or F). o Perceiving or judging (P or J). • These classifications are then combined into sixteen personality types.

For example: o INTJs are visionaries. They usually have original minds and great drive for their own ideas and purposes. They are characterized as skeptical, critical, independent, determined, and often stubborn. o ESTJs are organizers. They are realistic, logical, analytical, decisive, and have a natural head for business or mechanics. o The ENTP type is a conceptualizer. He or she is innovative, individualistic, versatile, and attracted to entrepreneurial ideas. This person tends to be resourceful in solving challenging problems but may neglect routine assignments. MBTI is widely used in practice. Some organizations using it include Apple Computer, AT&T, Citigroup, GE, 3M Co. and others. 3. The Big Five Model • An impressive body of research supports that five basic dimensions underlie all other personality dimensions. The five basic dimensions are: o Extraversion. Comfort level with relationships. Extroverts tend to be gregarious, assertive, and sociable. Introverts tend to be reserved, timid, and quiet. o Agreeableness. Individual’s propensity to defer to others. High agreeableness people—cooperative, warm, and trusting.

Low agreeableness people—cold, disagreeable, and antagonistic. o Conscientiousness. A measure of reliability. A high conscientious person is responsible, organized, dependable, and persistent. Those who score low on this dimension are easily distracted, disorganized, and unreliable. o Emotional stability. A person’s ability to withstand stress. People with positive emotional stability tend to be calm, self-confident, and secure. Those with high negative scores tend to be nervous, anxious, depressed, and insecure. o Openness to experience. The range of interests and fascination with novelty.

Extremely open people are creative, curious, and artistically sensitive. Those at the other end of the openness category are conventional and find comfort in the familiar. • Research found important relationships between these personality dimensions and job performance. o A broad spectrum of occupations was examined in addition to job performance ratings, training proficiency (performance during training programs), and personnel data such as salary level. o The results showed that conscientiousness predicted job performance for all occupational groups. Individuals who are dependable, reliable, careful, thorough, able to plan, organized, hardworking, persistent, and achievement-oriented tend to have higher job performance. o Employees higher in conscientiousness develop higher levels of job knowledge. o There is a strong and consistent relationship between conscientiousness and organizational citizenship behavior (OCB). o For the other personality dimensions, predictability depended upon both the performance criterion and the occupational group. o Extroversion predicts performance in managerial and sales positions. Openness to experience is important in predicting training proficiency. D. How Do the Big Five Traits Predict Behavior? • Research has shown relationships between these personality dimensions and job performance. • Employees who score higher for example in conscientiousness, develop higher levels of job knowledge • Extraverts tend to be happier in their jobs and do better in jobs that require significant interpersonal interaction probably because they have better social skills. E. Other Personality Traits Relevant to OB 1. Core Self-Evaluation (Self-perspective) People who have a positive core self-evaluation see themselves as effective, capable, and in control. • People who have a negative core self-evaluation tend to dislike themselves. • Locus of control o A person’s perception of the source of his/her fate is termed locus of control. ? There is not a clear relationship between locus of control and turnover because there are opposing forces at work. o Internals: People who believe that they are masters of their own fate ? Internals, facing the same situation, attribute organizational outcomes to their own actions.

Internals believe that health is substantially under their own control through proper habits; their incidences of sickness and, hence, their absenteeism, are lower. ? Internals generally perform better on their jobs, but one should consider differences in jobs. ? Internals search more actively for information before making a decision, are more motivated to achieve, and make a greater attempt to control their environment, therefore, internals do well on sophisticated tasks. ? Internals are more suited to jobs that require initiative and independence of action. Externals: People who believe they are pawns of fate ? Individuals who rate high in externality are less satisfied with their jobs, have higher absenteeism rates, are more alienated from the work setting, and are less involved on their jobs than are internals. ? Externals are more compliant and willing to follow directions, and do well on jobs that are well structured and routine and in which success depends heavily on complying with the direction of others. • Self-esteem o Self-esteem—the degree to which people like or dislike themselves. (SE) is directly related to expectations for success. o Individuals with high self-esteem will take more risks in job selection and are more likely to choose unconventional jobs than people with low self-esteem. o The most generalizable finding is that low SEs are more susceptible to external influence than are high SEs. Low SEs are dependent on the receipt of positive evaluations from others. o In managerial positions, low SEs will tend to be concerned with pleasing others. o High SEs are more satisfied with their jobs than are low SEs. 2. Machiavellianism Named after Niccolo Machiavelli, who wrote in the sixteenth century on how to gain and use power. • An individual high in Machiavellianism is pragmatic, maintains emotional distance, and believes that ends can justify means. • High Machs manipulate more, win more, are persuaded less, and persuade others more. • High Mach outcomes are moderated by situational factors and flourish when they interact face-to-face with others, rather than indirectly, and when the situation has a minimum number of rules and regulations, thus allowing latitude for improvisation. High Machs make good employees in jobs that require bargaining skills or that offer substantial rewards for winning. 3. Narcissism • Describes a person who has a grandiose sense of self-importance. • They “ think” they are better leaders. • Often they are selfish and exploitive. 4. Self-Monitoring • This refers to an individual’s ability to adjust his or her behavior to external, situational factors. • Individuals high in self-monitoring show considerable adaptability. They are highly sensitive to external cues, can behave differently in different situations, and are capable of presenting striking contradictions between heir public persona and their private self. • Low self-monitors cannot disguise themselves in that way. They tend to display their true dispositions and attitudes in every situation resulting in a high behavioral consistency between who they are and what they do. • The research on self-monitoring is in its infancy, so predictions must be guarded. Preliminary evidence suggests: o High self-monitors tend to pay closer attention to the behavior of others. o High self-monitoring managers tend to be more mobile in their careers and receive more promotions. High self-monitor is capable of putting on different “ faces” for different audiences. 5. Risk Taking • The propensity to assume or avoid risk has been shown to have an impact on how long it takes managers to make a decision and how much information they require before making their choice. • High risk-taking managers make more rapid decisions and use less information in making their choices. • Managers in large organizations tend to be risk averse; especially in contrast with growth-oriented entrepreneurs. • Makes sense to consider aligning risk-taking propensity with specific job demands. 6. Type A Personality Type A personality is “ aggressively involved in a chronic, incessant struggle to achieve more and more in less and less time, and, if required to do so, against the opposing efforts of other things or other persons. ’’ • They are always moving, walking, and eating rapidly, are impatient with the rate at which most events take place, are doing do two or more things at once and cannot cope with leisure time. • They are obsessed with numbers, measuring their success in terms of how many or how much of everything they acquire. • In contrast to the Type A personality is the Type B Personality. Type B’s never suffer from a sense of time urgency with its accompanying impatience. o Type B’s feel no need to display or discuss either their achievements or accomplishments unless such exposure is demanded by the situation. o Type B’s play for fun and relaxation, rather than exhibit their superiority at any cost. o They can relax without guilt. • Type A personality compared to Type B personality o Type A’s operate under moderate to high levels of stress. They subject themselves to continuous time pressure, are fast workers, quantity over quality, work long hours, and are also rarely creative. Type A’s behavior is easier to predict than that of Type B’s. o Do Type A’s differ from Type B’s in their ability to get hired? ? Type A’s do better in job interviews; are more likely to be judged as having desirable traits such as high drive, competence, and success motivation. 7. Proactive Personality • Actively taking the initiative to improve their current circumstances while others sit by passively • Proactives identify opportunities, show initiative, take action, and persevere. • Create positive change in their environment. More likely to be seen as leaders and change agents • More likely to achieve career success F. Personality and National Culture • The five personality factors identified in the Big Five model are found in almost all cross-cultural studies. • There are no common personality types for a given country. • There are Type A’s in every country, but they tend to be more found in capitalist countries. Values A. Introduction • Values Represent Basic Convictions o A specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of onduct or end-state of existence. o They have both content and intensity attributes. o An individual’s set of values ranked in terms of intensity is considered the person’s value system. o Values have the tendency to be stable. o Many of our values were established in our early years from parents, teachers, friends, and others. B. Importance of Values • Values lay the foundation for the understanding of attitudes and motivation. • Values generally influence attitudes and behaviors. We can predict reaction based on understanding values. C.

Types of Values (Value Classifications) 1. Rokeach Value Survey (Exhibit 4–3) • This instrument contains two sets of values; each set has 18 value items. o Terminal Values—refer to desirable end states of existence. ? The goals that a person would like to achieve during his/her lifetime o Instrumental Values—refer to preferable modes of behavior. ? Means of achieving the terminal values o Several studies confirm that the RVS values vary among groups. o People in the same occupations or categories tend to hold similar values. Although there may be overlap among groups, there are some significant differences as well. 2. Contemporary Work Cohorts • Different generations hold different work values. o Veterans—entered the workforce from the early 1940s through the early 1960s. o Boomers—entered the workforce during the 1960s through the mid-1980s. o Xers—entered the workforce beginning in the mid-1980s. o Nexters—most recent entrants into the workforce. D. Values, Loyalty, and Ethical Behavior • Many people think there has been a decline in business ethics since the late 1970s. • The four-stage model of work cohort alues might explain this perception (Exhibit 4–5). • Managers consistently report the action of bosses as the most important factor influencing ethical and unethical behavior in organizations. III. Linking an Individual’s Personality and Values to the Workplace A. The Person-Job Fit: • This concern is best articulated in John Holland’s personality-job fit theory. o Holland presents six personality types and proposes that satisfaction and the propensity to leave a job depends on the degree to which individuals successfully match their personalities to an occupational environment.

The six personality types are: realistic, investigative, social, conventional, enterprising, and artistic o Each one of the six personality types has a congruent occupational environment. o Vocational Preference Inventory questionnaire contains 160 occupational titles. Respondents indicate which of these occupations they like or dislike; their answers are used to form personality profiles. o The theory argues that satisfaction is highest and turnover lowest when personality and occupation are in agreement. B. The Person-Organization Fit Most important for an organization facing a dynamic and changing environment, and requiring employees who are able to readily change tasks and move fluidly between teams • It argues that people leave jobs that are not compatible with their personalities. • Organizational Culture Profile (OCP) o Individuals have to sort their values in terms of importance. o Forced choice rationale—having to make hard choices that one’s true values become apparent o Match personal values to those of the organization.

IV. Global Implications 1. Introduction • Do personality frameworks like the Big Five Model transfer across cultures? There is a surprising amount of agreement across industrialized countries that they do. • Values differ across cultures; therefore, understanding these differences helps to explain and to predict behavior of employees from different countries. One of the most widely referenced approaches for analyzing variations among cultures has been done by Geert Hofstede. 2. Hofstede’s Framework for Assessing Cultures Five value dimensions of national culture: o Power distance: The degree to which people in a country accept that power in institutions and organizations is distributed unequally. o Individualism versus collectivism: Individualism is the degree to which people in a country prefer to act as individuals rather than as members of groups. Collectivism equals low individualism. o Masculinity versus femininity: Masculinity is the degree to which values such as the acquisition of money and material goods prevail. Femininity is the degree to which people value relationships and show sensitivity and concern for others. Uncertainty avoidance: The degree to which people in a country prefer structured over unstructured situations. o Long-term versus short-term orientation: Long-term orientations look to the future and value thrift and persistence. Short-term orientation values the past and present and emphasizes respect for tradition and fulfilling social obligations. • Hofstede Research Findings: o Asian countries were more collectivist than individualistic. o United States ranked highest on individualism. o German and Hong Kong rated high on masculinity. o Russia and The Netherlands were low on masculinity. China and Hong Kong had a long-term orientation. o France and the United States had short-term orientation. 3. The GLOBE Framework for Assessing Cultures • Hofstede’s work is the basic framework for assessing cultures. However, it is nearly 30 years old. In 1993, the Global Leadership and Organizational Behavior Effectiveness (GLOBE) began updating this research with data from 825 organizations and 62 countries. • GLOBE Framework for Assessing Cultures (Exhibit 4–8): o Assertiveness: The extent to which a society encourages people to be tough, confrontational, assertive, and competitive versus modest and tender. Future orientation: The extent to which a society encourages and rewards future-oriented behaviors such as planning, investing in the future and delaying gratification. o Gender differentiation: The extent to which a society maximized gender role differences. o Uncertainly avoidance: Society’s reliance on social norms and procedures to alleviate the unpredictability of future events. o Power distance: The degree to which members of a society expect power to be unequally shared. o Individualism/collectivism: The degree to which individuals are encouraged by societal institutions to be integrated into groups within organizations and society. In-group collectivism: The extent to which society’s members take pride in membership in small groups such as their families and circles of close friends, and the organizations where they are employed. o Performance orientation: The degree to which society encourages and rewards group members for performance improvement and excellence. o Humane orientation: The degree to which a society encourages and rewards individuals for being fair, altruistic, generous, caring, and kind to others. • GLOBE Research Findings: o The GLOBE study had extended Hofstede’s work rather than replaced it. It confirms Hofstede’s five dimensions are still valid and provides updated measures of where countries are on each dimension. For example, the United States in the 70s led the world in individualism—today, it is in the mid-ranks of countries. 1. Implications for OB • Twenty years ago organizational behavior had a strong American bias • Many of the studies were completed with only American samples • Now there has been an increase in cross-cultural research • OB is a global discipline V. SUMMARY AND IMPLICATIONS FOR MANAGERS A. Personality The Big Five provides a meaningful way for managers to examine personality ? Managers should look for employees high on conscientiousness ? Situational factors should be taken into consideration, they do impact personality-job performance ? The MBTI can be used for teams to better understand each other B. Values ? Values influence a person’s attitudes, perceptions and behaviors ? The Rokeach Values Survey can be used to measure an employee’s values ? Employees are often rewarded more often when their personal values match those of the organization

Text Exercises | Myth or | | | Science? |” Entrepreneurs Are a Breed Apart” | This statement is true. A review of 23 studies on the personality of entrepreneurs revealed significant differences between entrepreneurs and managers on four of the Big Five: Entrepreneurs scored significantly higher on conscientiousness, emotional stability, and openness to experience, and they scored significantly lower on agreeableness.

Though of course not every entrepreneur achieves these scores, the results clearly suggest that entrepreneurs are different from managers in key ways. A fascinating study of MBA students provides one explanation for how entrepreneurs are different from others. Studying male MBA students with either some or no prior entrepreneurial experience, the authors found that those with prior experience had significantly higher levels of testosterone (measured by taking a saliva swab at the beginning of the study) and also scored higher on risk propensity.

The authors of this study concluded that testosterone, because it is associated with social dominance and aggressiveness, energizes individuals to take entrepreneurial risks. Because individual differences in testosterone are 80 percent inherited, this study adds more weight to the conclusion that entrepreneurs are different from others. What’s the upshot of all this? An individual who is considering a career as an entrepreneur or a business owner might consider how she scores on the Big Five. To the extent that she is high in conscientiousness, emotional stability, and openness and low in agreeableness, such a career might be for her.

Class Exercise Place the students in teams of five. 1. Have one set of teams brainstorm specific traits essential to being a good professor. 2. Another set of teams should brainstorm job tasks handled by a good professor. 3. Have the teams record their criteria on the board. 4. As a class, create one set of five traits and five tasks for a professorial position. 5. Ask students what questions or teaching artifacts students would ask or review in matching professorial candidates to their jobs. International [pic] A Global Personality

Determining which employees will succeed on overseas business assignments is often difficult for an organization’s managers because the same qualities that predict success in one culture may not in another. Researchers, however, are naming personality traits that can help managers home in on which employees would be suited for foreign assignments. Organizational psychologist Robert Hogan, for example, states that emotional maturity, remaining composed under pressure, and being comfortable with uncertainty are traits that breed success in most jobs, and these traits may be especially valuable for the overseas employee to possess.

In addition, according to the Center for Global Assignments (CGA), successful global executives tend to be open-minded and imaginative, and they also enjoy talking and networking with others. Other traits that have been linked to overseas employment success include curiosity and risk tolerance. Viewed from the perspective of the Big Five, characteristics such as open-mindedness and curiosity are similar to the Big Five trait openness to experience, while characteristics such as enjoying talking with others and networking resemble the Big Five trait extraversion.

For the overseas employee, being more open and extraverted may be particularly helpful in breaching communication barriers and cultivating trust, which in turn promotes cooperation. What is the ultimate upshot for organizations? When it comes to choosing employees for global assignments, personality can make a difference. Source: Based on J. E. Fernandez, “ The Making of a Global Executive,” Journal of Business Strategy 24, no. 5, (2003), pp. 36–38. Class Exercise While the chapter does not contain this element, you may wish to choose from one of the other instructional resources provided for this chapter. [pic] IN THE [pic] Are U.

S. Values Different? People in the United States are used to being criticized. After all, it was more than a century ago when the Irish playwright George Barnard Shaw wrote, “ Americans adore me and will go on adoring me until I say something nice about them. ” But as a result of the Iraq War and the fact that the United States is the world’s lone remaining superpower, its citizens are taking unprecedented criticism abroad. One critic sneered, “ The American pursuit of wealth, size, and abundance—as material surrogates for happiness—is aesthetically unpleasing and ecologically catastrophic. ” And many Europeans think that U. S. dults are obsessed with work. Some have even argued that the United States and Europe are becoming increasingly polarized. Overall, the United States is wealthier than Europe and has higher productivity. But what’s wrong with that? Well, some stats are not very positive. For example, compared to Europe, the United States is much more violent; it has 685 prisons for every 100, 000 people, compared to 87 in the European Union. The United States has also increasingly seemed to reward power with money. For example, in 1980, the average CEO in the United States earned 40 times the annual income of the average manufacturing employee.

Today, that ratio is 475: 1! By comparison, the ratios are 24: 1 in the U. K. , 15: 1 in France, and 13: 1 in Sweden. Finally, the United States contains 5 percent of the world’s population, but it is responsible for 25 percent of the world’s greenhouse gas output—which is, many scientists argue, responsible for global warming. Values may account for some of these differences. For example, in a study of people in 14 countries, those in the United States were more likely than others to see natural resources as elements at their disposal. And compared to Europeans, U. S. dults are more likely to believe that war is often necessary, that it is right to kill to defend property, and that physical punishment of children is necessary. Do you think U. S. values are an underlying factor behind some of these social phenomena? Or is this academic U. S. bashing? Based on: T. Judt, “ Europe vs. America,” New York Review of Books, February 20, 2005, www. nybooks. com/articles/17726; P. W. Schultz and L. Zelezny, “ Values as Predictors of Environmental Attitudes: Evidence for Consistency Across 14 Countries,” Journal of Environmental Psychology, September 1999, pp. 255–265; and A. McAlister, P. Sandstrom, P.

Puska, A. Veijo, R. Chereches, and L. Heidmets, “ Attitudes Towards War, Killing, and Punishment of Children Among Young People in Estonia, Finland, Romania, the Russian Federation, and the USA,” Bulletin of the World Health Organization 79, no. 5 (2001), pp. 382–387. Class Exercise This class exercise can help introduce the concept of “ ethnocentrism” as it relates to value systems. It also may elicit some significant debate concerning the value system of “ Americans” and others in the global economy. It is important to attempt to have students examine the arguments from a global perspective. 1. Have students break into small groups.

In each group have students examine each of the issues raised in the vignette (e. g. work obsession, crime and violence, executive compensation, utilization of natural resources). 2. Have students develop a value-based argument defending the position of the United States in terms of each of the issues. 3. Have students then take the same issues from a different global perspective. For example, you may wish to assign each group as a different “ culture” (e. g. China, Japan, European Union, etc). 4. Have students report to the class. You may have an opportunity to encourage interesting debate of the issues.

You should also incorporate Hofstede’s and GLOBE’s cultural analyses in the discussion. Point ( ( Counterpoint Traits Are Powerful Predictors of Behavior[iii] Point The essence of trait approaches in OB is that employees possess stable personality characteristics that significantly influence their attitudes toward, and behavioral reactions to, organizational settings. People with particular traits tend to be relatively consistent in their attitudes and behavior over time and across situations. Of course, trait theorists recognize that all traits are not equally powerful. They tend to put them into one of three categories.

Cardinal traits are those so strong and generalized that they influence every act a person performs. Primary traits are generally consistent influences on behavior, but they may not show up in all situations. Finally, secondary traits are attributes that do not form a vital part of the personality but come into play only in particular situations. For the most part, trait theories have focused on the power of primary traits to predict employee behavior. Trait theorists do a fairly good job of meeting the average person’s face-validity test. Think of friends, relatives, and acquaintances you have known for a number of years.

Do they have traits that have remained essentially stable over time? Most of us would answer that question in the affirmative. If Cousin Anne was shy and nervous when we last saw her 10 years ago, we would be surprised to find her outgoing and relaxed now. Managers seem to have a strong belief in the power of traits to predict behavior. If managers believed that situations determined behavior, they would hire people almost at random and structure the situation properly. But the employee selection process in most organizations places a great deal of emphasis on how applicants perform in interviews and on tests.

Assume you’re an interviewer and ask yourself: What am I looking for in job candidates? If you answered with terms such as conscientious, hardworking, persistent, confident, and dependable, you’re a trait theorist. Counterpoint Few people would dispute that there are some stable individual attributes that affect reactions to the workplace. But trait theorists go beyond that generality and argue that individual behavior consistencies are widespread and account for much of the differences in behavior among people.

There are two important problems with using traits to explain a large proportion of behavior in organizations. First, organizational settings are strong situations that have a large impact on employee behavior. Second, individuals are highly adaptive, and personality traits change in response to organizational situations. It has been well known for some time that the effects of traits are likely to be strongest in relatively weak situations and weakest in relatively strong situations.

Organizational settings tend to be strong situations because they have rules and other formal regulations that define acceptable behavior and punish deviant behavior, and they have informal norms that dictate appropriate behaviors. These formal and informal constraints minimize the effects of personality traits. POINT/COUNTERPOINT (Continued) By arguing that employees possess stable traits that lead to cross-situational consistencies in behaviors, trait theorists are implying that individuals don’t really adapt to different situations.

But there is a growing body of evidence that an individual’s traits are changed by the organizations that individual participates in. If the individual’s personality changes as a result of exposure to organizational settings, in what sense can that individual be said to have traits that persistently and consistently affect his or her reactions to those very settings? Moreover, people typically belong to multiple organizations that often include very different kinds of members. And they adapt to those different situations.

Instead of being the prisoners of a rigid and stable personality framework, as trait theorists propose, people regularly adjust their behavior to reflect the requirements of various situations. Class Exercise 1. Divide the class into two groups—one group to take on the issues raised in Point, the other group to take on the issues raised in Counterpoint. You may want to divide each half into smaller groups to enable all class members to participate in the group’s discussions. 2. Ask the class to act as an organization’s management team.

Their job is make a recommendation as to what types of testing they will use in their organization when selecting employees for hire or promotion using the issues assigned by the Point/Counterpoint arguments. Which types of testing will be used and why? (You may want to give students time to do some research—either Internet or Library—on this topic. There are several exercises in the Exploring OB Topics on the World Wide Web section at the end of this chapter. ) 3. Have students present their recommendations to the class and make a decision as to what is the best argument for testing, type of test, etc.

What gains do they expect as a result of the testing? 4. Have them list the recommendations and benefits on the board for the class to evaluate during the discussion. 5. You may want them to research the cost of implementing these tests in an organization. Does testing cost of testing offset the benefits? Questions for Review 1. What is personality? How do we typically measure it? What factors determine personality? Answer: Personality is the sum total of ways in which an individual reacts and interacts with others, the measurable traits a person exhibits. It is typically measured using self-reporting surveys.

Observer-ratings surveys that provide an independent assessment of personality is often better predictors. Personality seems to be the result of both hereditary and environmental factors. Heredity refers to factors determined at conception: physical stature, facial attractiveness, gender, temperament, muscle composition and reflexes, energy level, and bio-rhythms 2. What is the Myers-Briggs Type Indicator (MBTI), and what does it measure? Answer: The Myers-Briggs Type Indicator (MBTI), is the most widely used instrument in the world to determine personality attributes.

Participants are classified on four axes to determine one of 16 possible personality types. It measures – extroverted/introverted; sensing/intuitive; thinking/feeling; and judging/perceiving attributes. 3. What are the Big Five personality traits? Answer: Extroversion – Sociable, gregarious, and assertive Agreeableness – Good-natured, cooperative and trusting Conscientiousness – responsible, dependable and organized Emotional Stability – calm, self-confident versus negative and depressed Openness to experience – Curious, imaginative 4. How do the Big Five traits predict work behavior?

Answer: Certain traits have been shown to strongly relate to higher job performance: For example, highly conscientious people develop more job knowledge, exert greater effort, and have better performance. Other Big Five Traits also have implications for work. Emotional stability is related to job satisfaction. Extroverts tend to be happier in their jobs and have good social skills. Open people are more creative and can be good leaders. Agreeable people are good in social settings. 5. Besides the Big Five, what other personality traits are relevant to OB?

Answer: Core Self-Evaluation – The degree to which people like or dislike themselves – Positive self-evaluation leads to higher job performance Machiavellianism – A pragmatic, emotionally distant power-player who believes that ends justify the means. High Machs are manipulative, win more often, and persuade more than they are persuaded. They flourish when they have direct interaction, and work with minimal rules and regulations Narcissism – depicted by an arrogant, entitled, self-important person who needs excessive admiration.

Predictably, they are less effective in their jobs. Self-monitoring, the ability to adjust behavior and risk-taking, the ability to take chances are traits that are also relevant to OB. 6. What are values, why are they important, and what is the difference between terminal and instrumental values? Answer: Values are basic convictions on how to conduct yourself or how to live your life that is personally or socially preferable – “ How To” live life properly.

They are important because they provide understanding of the attitudes, motivation, and behavior, they influence our perception of the world around us, they represent interpretations of “ right” and “ wrong” and they Imply that some behaviors or outcomes are preferred over others. The difference between terminal and instrumental values is as follows: Terminal Values are desirable end-states of existence; the goals that a person would like to achieve during his or her lifetime.

Instrumental Values are preferable modes of behavior or means of achieving one’s terminal values. 7. Do values differ across generations? How so? Answer: Yes, values differ considerably across generations. Dominant work values for Veterans entering the workforce in the 19502 or early 1960s are hard-working, conservative, conformity and loyalty to the organization. In contrast, the Nexters in the workforce from 2000 to the present are confident, value financial success are self-reliant and loyal to both self and relationships. 8. Do values differ across cultures?

How so? Answer: Yes. According to Hofstede and the GLOBE Project, there are a number of values that differ across cultures: Hofstede’s Framework for assessing culture includes five value dimensions: • Power Distance • Individualism vs. Collectivism • Masculinity vs. Femininity • Uncertainty Avoidance • Long-term vs. Short-term Orientation When these variables are measured, countries vary considerably such as the U. S. ranking #1 in individualism while Colombia ranks 49th. Experiential Exercise WHAT ORGANIZATIONAL CULTURE DO YOU PREFER?

THE ORGANIZATIONAL CULTURE PROFILE (OCP) CAN HELP ASSESS WHETHER AN INDIVIDUAL’S VALUES MATCH THE ORGANIZATION’S. THE OCP HELPS INDIVIDUALS SORT THEIR CHARACTERISTICS IN TERMS OF IMPORTANCE, WHICH INDICATES WHAT A PERSON VALUES. 1. Working on your own, complete the OCP below. 2. Your instructor may ask you the following questions individually or as group of three or four students (with a spokesperson appointed to speak to the class for each group): a. What were your most preferred and least preferred values? Do you think your most preferred and least preferred values are similar to those of other class or group members? . Do you think there are generational differences in the most preferred and least preferred values? c. Research has shown that individuals tend to be happier, and perform better, when their OCP values match those of their employer. How important do you think a “ values match” is when you’re deciding where you want to work? Ethical Dilemma Hiring Based on Body Art Leonardo’s Pizza in Gainesville, Florida, regularly employs heavily tattooed workers. Tina Taladge and Meghan Dean, for example, are covered from their shoulders to their ankles in colorful tattoos.

So many of the employees at Leonardo’s sport tattoos that body art could almost be a qualification for the job. Many employers, however, are not that open to tattoos. Consider Russell Parrish, 29, who lives near Orlando, Florida, and has dozens of tattoos on his arms, hands, torso, and neck. In searching for a job, Parrish walked into 100 businesses, and in 60 cases, he was refused an application. “ I want a career,” Parrish says, “ I want same the shot as everybody else. ” Parrish isn’t alone. Many employers, including Walt Disney World, GEICO, SeaWorld, the U. S.

Postal Service, and Wal-Mart, have policies against visible tattoos. A survey of employers revealed that 58 percent indicated that they would be less likely to hire someone with visible tattoos or body piercings. “ Perception is everything when it comes to getting a job,” says Elaine Stover, associate director of career services at Arizona State University. “ Some employers and clients could perceive body art negatively. ” However, other employers—such as Bank of America, Allstate, and IBM—allow tattoos. Bank of America goes so far as to have a policy against using tattoos as a factor in hiring decisions.

Policies toward tattoos vary because, legally, employers can do as they wish. As long as the rule is applied equally to everyone (it would not be permissible to allow tattoos on men but not on women, for example), policies against tattoos are perfectly legal. Though not hiring people with tattoos is discrimination, “ it’s legal discrimination,” said Gary Wilson, a Florida employment lawyer. Thirty-six percent of those aged 18 to 25, and 40 percent of those aged 26 to 40, have at least one tattoo, whereas only 15 percent of those over 40 do, according to a fall 2006 survey by the Pew Research Center.

One study in American Demographics suggested that 57 percent of senior citizens viewed visible tattoos as “ freakish. ” Clint Womack, like most other people with multiple tattoos, realizes there’s a line that is dangerous to cross. While the 33-year-old hospital worker’s arms, legs, and much of his torso are covered with tattoos, his hands, neck, and face are clear. “ Tattoos are a choice you make,” he says, “ and you have to live with your choices. ” Questions 1. Why do some employers ban tattoos while others don’t mind them?

Answer: Tattoos or body art is a choice for individuals and a choice for organizations as to whether they are acceptable or not. 2. Is it fair for employers to reject applicants who have tattoos? Is it fair to require employees, if hired, to conceal their tattoos? Answer: Yes to both questions. Fairness is determined by and based on the policies of the organization. As long as they are applied consistently, the organization has the right to determine whether or not tattoos, visible or otherwise are allowed. To avoid any discriminatory issues, whatever policy is in place must be administered fairly. . Should it be illegal to allow tattoos to be a factor at all in the hiring process? Answer: No. Many factors contribute to the hiring process including appearance. An organization has the right to determine the image of their respective company. Just as an organization establishes its culture, the employees reflect the reputation of the company. Legislation on tattoos would impair the organizations’ right to choose their own employees. Sources: R. R. Hastings, “ Survey: The Demographics of Tattoos and Piercings,” HRWeek, February 2007, www. shrm. org; and H.

Wessel, “ Taboo of Tattoos in the Workplace,” Orlando (Florida) Sentinel, May 28, 2007, www. tmcnet. com/usubmit/2007/05/28/2666555. htm> Case Incident 1 THE RISE OF THE NICE CEO? If asked to describe the traits of an effective CEO, most people would probably use adjectives such as driven, competitive, and tough. While it’s clear that some hard-nosed CEOs, like Blackstone chief executive Stephen Schwarzman (see the chapter opener), are successful, recently some authors have suggested that being “ nice” is really important in today’s workplace, even in the CEO suite.

In a recent book titled The No A–hole Rule: Building a Civilized Workplace and Surviving One That Isn’t, Stanford management professor Robert Sutton argues that getting along well with others is important to the successful functioning of organizations. Many companies, such as Google, have developed policies to weed out those who habitually behave in an uncivil manner. Lars Dalgaard, CEO of SuccessFactors, a business software company, identifies himself as a recovering Fortune 500 “ a–hole. ” Now, Dalgaard has implemented a strict “ no a–hole” rule in his company.

Job interviews are lengthy and feature probing questions designed to uncover any browbeating tendencies. Last year, Dalgaard took candidates vying for a chief financial officer vacancy to lunch at a local restaurant to see how they treated the wait staff. Some got a free lunch but nothing more. When managers and employees are hired, they get a welcome letter from Dalgaard that spells out 15 corporate values, the last of which is “ I will not be an a–hole. ” Although it’s not clear whether they’ve read Sutton’s book, some CEOs of Fortune 500 companies do seem to project the image of a “ kinder, gentler CEO. Let’s consider three examples, all of whom were proteges of Jack Welch when he was CEO of General Electric (GE) and of whom were candidates to be his successor: Bob Nardelli, James McNerney, and Jeff Immelt. Bob Nardelli, former CEO, Home Depot. When Bob Nardelli wasn’t chosen to be CEO of GE, he demanded to know why. Didn’t he have the best numbers? His bitterness was palpable, say GE insiders. When Nardelli became CEO of Home Depot, in his first few months on the job, he became notorious for his imperious manner and explosive temper.

At one meeting, he yelled, “ You guys don’t know how to run a f—ing business. ” When Nardelli was fired as CEO in 2006, it was due to a combination of factors, including Home Depot’s lackluster stock price, but his abrasive personality played no small part. BusinessWeek wrote: “ With the stock price recently stuck at just over 40, roughly the same as when Nardelli arrived 6 years ago, he could no longer rely on other sterile metrics to assuage the quivering anger his arrogance provoked within every one of his key constituencies: employees, customers, and shareholders. ” James McNerney, CEO, Boeing. These are heady days at Boeing, which commands record levels of new orders and dominates its European rival Airbus as never before. Most CEOs would take credit for this success. Not James McNerney, who gives the credit to Boeing’s engineers and employees. “ I view myself as a value-added facilitator here more than as someone who’s crashing through the waves on the bridge of a frigate,” he says. A former GE colleague compared Nardelli and McNerney, saying, “ Jim’s problems have been as tough, or tougher, than the ones that Bob had to face. But he has tried to solve them in a much more pleasant way.

The guy is loved over there at Boeing. ” Jeff Immelt, CEO, General Electric. – Although Jeff Immelt is the first to point out that the nickname “ Neutron Jack” for his predecessor Jack Welch was misleading, and that the differences between him and Welch are not as dramatic as some claim, Immelt is noted for his calm demeanor and trusting approach. In speaking of his approach, he said, “ I want to believe the best in terms of what people can do. And if you want to make a growth culture, you’ve got to have a way to nurture people and not make them fight so goddamn hard to get any idea through the door. ”

Questions 1. Do you think Sutton is wrong and that the contrasting fortunes, and personalities, of Nardelli, McNerney, and Immelt are coincidental? Why or why not? Answer: No, Sutton is correct. Interpersonal skills and the ability to develop relationships with people is increasingly more important in today’s economy. The hard line, command and control style of management is no longer as effective as maybe it once was. Nardelli was fired undoubtedly because of the stock price but also because of his abrasive personality. 2. Do you think the importance of being “ nice” varies by industry or type of job?

How so? Answer: No, the importance of being nice is based on personality and philosophy. Treating people with respect and trust is universal across industries and jobs. “ Nice “ also does not mean that the person is a welcome mat, but rather the person has a belief in the golden rule of treating people appropriately and the results will follow. 3. How comfortable would you be working in a culture like that of SuccessFactors, where a certain level of “ niceness” is part of the job description? Answer: This may vary by student, but companies should have core values by which all employees should abide.

Teamwork and building relationships are paramount in successful companies so proper treatment of others should be a given. 4. Do you think being “ nice” is the same as the Big Five trait of agreeableness? If so, do you think companies should screen out those who score low on agreeableness? Answer: Agreeableness can be compliant and conforming. Companies also need free and innovative thinkers. This factor in terms of performance is important when applied to lower levels of deviant behavior. Nice may be defined as agreeable but you can be nice and still disagree in a polite and respectful way.

Companies should pay attention to this trait although it should not solely be used as a screening mechanism. 5. Earlier we discussed the